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[Statements and Speeches]

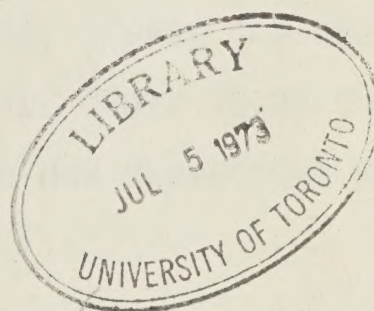
[No. 1] STATEMENT BY

THE HONOURABLE ALLAN GROSSMAN

MINISTER OF REVENUE

RESPONSIBLE FOR


ONTARIO HOUSING CORPORATION



REGIONAL TRI-LEVEL CONFERENCE

TRENT UNIVERSITY, PETERBOROUGH

MAY 28, 1973



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LADIES AND GENTLEMEN,

I AM MOST HAPPY TO TAKE PART IN THIS REGIONAL TRI-LEVEL CONFERENCE AND TO DISCUSS WITH YOU THE VERY IMPORTANT TOPIC OF ONTARIO'S URBAN AND REGIONAL DEVELOPMENT STRATEGY. AS HAS ALREADY BEEN POINTED OUT, THIS FORUM PROVIDES A UNIQUE OPPORTUNITY FOR US TO DISCUSS OUR RESPECTIVE RESPONSIBILITIES IN REGARD TO TRANSPORTATION, HOUSING AND ENVIRONMENTAL MANAGEMENT.

ALREADY THIS YEAR, THERE HAVE BEEN A NUMBER OF INTERGOVERNMENTAL MEETINGS, AND MORE ARE PLANNED. AS IMPORTANT AS THESE MEETINGS ARE, I HAVE THE FEELING THAT THIS TRI-LEVEL MEETING WILL PROVE TO BE THE MOST FRUITFUL AS FAR AS ENUNCIATING OUR RESPECTIVE RESPONSIBILITIES.

AS THE PROVINCIAL MINISTER RESPONSIBLE FOR HOUSING, I WELCOME THIS OPPORTUNITY TO DISCUSS HOUSING WITH FEDERAL AND MUNICIPAL REPRESENTATIVES. MANY OF THE MUNICIPAL VIEWS ARE ALREADY INCORPORATED IN OUR POLICY. FOR EXAMPLE, SHORTLY AFTER THE AMENDMENTS PROPOSED FOR THE NATIONAL HOUSING ACT WERE UNVEILED, THIS PROVINCE SOUGHT MUNICIPAL PARTICIPATION IN THE FORMULATION OF A POSITION IN RESPECT TO THEM.

THESE MATTERS WERE DISCUSSED AT MEETINGS OF THE PROVINCIAL-MUNICIPAL LIAISON COMMITTEE, AND THREE MUNICIPAL REPRESENTATIVES - MAYORS BENOIT AND CROMBIE AND YOUR CO-CHAIRMAN, MAYOR NEWMAN - WERE PART OF THE ONTARIO DELEGATION TO THE JANUARY FEDERAL-PROVINCIAL CONFERENCE ON HOUSING.

AS WELL AS MAKING THEIR PRESENCE FELT AT THE MEETINGS OF THE PROVINCIAL-MUNICIPAL LIAISON COMMITTEE, MUNICIPALITIES AND THEIR REPRESENTATIVES HAVE BEEN VERY ACTIVE IN PRESENTING BRIEFS TO THE ONTARIO ADVISORY TASK FORCE ON HOUSING POLICY HEADED BY ELI COMAY. THIS TASK FORCE WILL BE MAKING RECOMMENDATIONS IN REGARD TO HOUSING POLICY FOR ONTARIO THIS SUMMER. THE FACT THAT WE ARE AWAITING THIS REPORT SHOULD NOT PRECLUDE US FROM DISCUSSING POLICY MATTERS AT THIS CONFERENCE.

I SAY THIS BECAUSE THERE ARE CERTAIN BASIC PRINCIPLES ONTARIO HAS PURSUED WHICH ARE FUNDAMENTAL TO ANY RECOMMENDATIONS WHICH MAY BE FORTHCOMING FROM THE COMAY TASK FORCE. MANY OF THE HOUSING NEEDS OF THIS PROVINCE AND ITS MUNICIPALITIES ARE UNIQUE TO THIS PROVINCE, JUST AS SOME OF THE HOUSING NEEDS IN OTHER PROVINCES REFLECT THEIR LOCAL CONDITIONS.

THIS ONTARIO TRI-LEVEL CONFERENCE PROVIDES US WITH AN EXCELLENT OPPORTUNITY TO REVIEW OUR PRESENT PROGRAMS TO DATE AND TO APPRAISE OUR NEEDS FOR THE FUTURE. IN EXAMINING THESE NEEDS, WE WILL HAVE AN OPPORTUNITY TO ASSESS THE FINANCIAL IMPLICATIONS FOR EACH OF THE THREE LEVELS OF GOVERNMENT INVOLVED.

IN LOOKING AT OUR PRESENT POSITION, I WILL EXAMINE IT IN TERMS OF THREE MAJOR AIMS:

- . LAND ACQUISITION,
- . ASSISTANCE TO LOWER INCOME GROUPS,
- . PRESERVATION OF OLDER HOUSING UNITS AND
NEIGHBORHOODS

TURNING NOW TO THE FIRST OF THESE - LAND ACQUISITION

THE CURRENT LAND INVENTORY OF THE ONTARIO HOUSING CORPORATION ALONE IS ROUGHLY 19,000 ACRES. THE MAJOR PARCELS BEING ABOUT:

- . 5,000 ACRES OUTSIDE OF OTTAWA,
- . 3,000 ACRES IN CAMBRIDGE,
- . 1,700 ACRES IN METROPOLITAN TORONTO,
- . 1,700 ACRES NEAR HAMILTON,
- . 1,500 ACRES IN OAKVILLE,
- . 1,000 ACRES IN BRANTFORD, AND
- . 760 ACRES IN WINDSOR.

WITH SMALLER HOLDINGS IN MANY OTHER MUNICIPALITIES

THE EXISTENCE OF THESE LARGE LAND ASSEMBLIES MAKE IT POSSIBLE FOR THE PROVINCE TO BRING TO MARKET FULLY-SERVICED BUILDING LOTS WHICH CAN BE LEASED TO MODEST-INCOME FAMILIES WHO WOULD OTHERWISE BE PRICED OUT OF HOME OWNERSHIP.

FOR EXAMPLE, A SURVEY OF THE FIRST 352 BUYERS AT MALVERN, IN METROPOLITAN TORONTO, SHOWED 71 PER CENT OF THE HEADS OF FAMILIES IN THE \$8,000 TO \$12,000 ANNUAL INCOME RANGE AND 14 PER CENT BETWEEN \$5,000 AND \$8,000.

QUARREL AS ONE MAY WITH THE PHILOSOPHY OF GOVERNMENT ASSEMBLING LAND, THE FACT IS THAT VERY FEW HOUSES ARE BEING PROVIDED FOR THIS INCOME RANGE WITHOUT GOVERNMENT INVOLVEMENT.

MUCH OF THE REASON WHY WE ARE ABLE TO PROVIDE OWNERSHIP TO THOSE INCOME LEVELS IS DUE TO THE LAND-LEASE PRINCIPLE, AND MAXIMUM PRICE LIMITATIONS ON THE HOUSES THAT ARE BUILT.

ALTOGETHER, MORE THAN 13,000 FULLY-SERVICED LOTS HAVE BEEN BROUGHT TO MARKET. THE MAJORITY OF BUYERS OF HOUSES ON THESE LOTS WERE FORMER RENTERS WHO, WITHOUT OHC'S LOT-LEASE PROGRAM, WOULD NOT BE IN A POSITION TO MOVE OUT OF RENTAL ACCOMMODATION INTO HOME OWNERSHIP.

AS A PART OF THE LOT-LEASE PROGRAM, WE HAVE ALSO BEEN EXPERIMENTING WITH NEW METHODS OF LAND PLANNING, ONE APPROACH IS THE "ZERO LOT LINE" CONCEPT WHICH HAS ALREADY PROVIDED MORE THAN 600 DWELLINGS IN CHINGUACOUSY TOWNSHIP WITH 1,800 ADDITIONAL UNITS UNDER DEVELOPMENT.

I INVITE OTHER MUNICIPALITIES TO SERIOUSLY CONSIDER THIS AND/OR OTHER LAND-USE INNOVATIONS TO ALLOW DENSITY TO BE INCREASED WITHOUT REDUCING THE PRIVACY ASSOCIATED WITH THE SINGLE-FAMILY HOUSE.

WE ARE ALSO ENCOURAGING NEW HOUSING FORMS FOR MEDIUM AND HIGH DENSITY HOUSING THROUGH DESIGN COMPETITIONS.

OF PARTICULAR INTEREST IN HIGH DENSITY AREAS IS CONDOMINIUM HOUSING. OHC IS PRESENTLY ASSOCIATED WITH SOME 15,000 CONDOMINIUM DWELLINGS, EITHER APARTMENTS OR TOWN HOUSES. THE HEAVY SUPPORT OF CONDOMINIUM HOUSING IS ANOTHER EXAMPLE OF PROVINCIAL INITIATIVE IN THE AREA OF REDUCING COSTS FOR HOME OWNERSHIP.

TURNING NOW TO ASSISTANCE FOR LOWER-INCOME GROUPS; AT PRESENT, OUR TOTAL PORTFOLIO UNDER MANAGEMENT AND DEVELOPMENT IN THE FIELD OF FAMILY AND SENIOR CITIZEN RENT-TO-INCOME HOUSING IS OVER 80,000 UNITS, OF WHICH ALMOST 52,000 ARE PRESENTLY UNDER MANAGEMENT, AND ANOTHER 28,000 ARE UNDER CONSTRUCTION OR DEVELOPMENT.

RECENTLY I ANNOUNCED THE OPTIONS WE HAVE DEVELOPED, AND ARE PRESENTLY PUTTING INTO OPERATION, TO ACCOMPLISH GREATER INTEGRATION OF SUCH HOUSING. ONE POLICY IS THE PURCHASING OF UP TO 10 PER CENT OF HOUSES BUILT IN H.O.M.E. PLAN SUBDIVISIONS TO PROVIDE RENTAL DWELLINGS FOR FAMILIES REQUIRING THREE, FOUR, AND FIVE BEDROOM UNITS. I COMMEND THOSE MUNICIPALITIES WHICH HAVE SHOWN THE SENSITIVITY AND FORESIGHT TO REQUIRE A PERCENTAGE OF NEW HOUSING UNITS BE SET ASIDE FOR ASSISTED HOUSING.

ANOTHER IS OUR "INTEGRATED COMMUNITY HOUSING PROGRAM" WHICH WILL PROVIDE ACCOMMODATION FOR SUBSIDIZED TENANTS IN PRIVATELY-OPERATED DEVELOPMENTS ALONG WITH NON-SUBSIDIZED TENANTS. WE PRESENTLY PROVIDE SUCH HOUSING WITH OUR RENT SUPPLEMENT PROGRAM, WHICH IS GEARED TO EXISTING DWELLINGS. THE "INTEGRATED COMMUNITY HOUSING" APPROACH, WHEREBY WE WILL SUPPLY SECONDARY MORTGAGE FINANCING IN RETURN FOR UP TO 25 PER CENT OF THE UNITS, WILL CREATE NEW HOUSING FOR BOTH SUBSIDIZED AND NON-SUBSIDIZED TENANTS.

THE THIRD MAJOR AIM IS THE PRESERVATION OF OLDER HOUSING UNITS AND NEIGHBORHOODS. FOR EXAMPLE, IN TORONTO, ON A BLOCK KNOWN AS THE "HYDRO SITE", WE HAVE ENGAGED ARCHITECTS TO CONSIDER AN "IN-FILLING"

APPROACH TO PERMIT, AS FAR AS ECONOMICS ALLOW, THE RETENTION OF THE LOW-RISE RESIDENTIAL CHARACTER OF THIS NEIGHBORHOOD.

ALONG SIMILAR LINES IS A DEVELOPMENT AT SHERBOURNE-DUNDAS STS. IN THE CITY OF TORONTO WHERE WE HAVE EVOLVED, WITH THE MUNICIPALITY, A PROVINCIAL-MUNICIPAL PARTNERSHIP TO CREATE NEW HOUSING AND PRESERVE AN EXISTING NEIGHBORHOOD.

THE PROVINCE FULLY ENDORSES THE CONCEPT THAT PROGRAMS TO REVITALIZE URBAN NEIGHBORHOODS, IN THE BROADEST CONTEXT, SHOULD FORM PART OF WHATEVER FEDERAL FINANCING IS PROVIDED UNDER THE NATIONAL HOUSING ACT.

TURNING NOW TO FEDERAL INVOLVEMENT AS MANIFESTED IN THE NATIONAL HOUSING ACT AMENDMENTS NOW BEFORE PARLIAMENT, LET US EXAMINE THEM TO SEE HOW THEY ADVANCE THE THREE AIMS OF ONTARIO'S HOUSING PROGRAM I HAVE JUST ENUNCIATED.

IN A POSITIVE SENSE, THE PROPOSED AMENDMENTS DO PROVIDE A WIDER RANGE OF OPTIONS AND GREATER FLEXIBILITY FOR PROVINCIAL AND MUNICIPAL PROGRAMS. AS I STATED AT THE FEDERAL-PROVINCIAL CONFERENCE LAST JANUARY, ONTARIO IS ALWAYS OPEN TO INNOVATIONS. WE SEE "ASSISTED HOME OWNERSHIP", THE ENCOURAGEMENT OF NON-PROFIT AND

CO-OPERATIVE HOUSING, LAND ASSEMBLY, AND THE FLEXIBLE AND SENSITIVE APPROACH TO REHABILITATION AND THE PRESERVATION OF NEIGHBORHOODS, AS BEING VERY POSITIVE CONTRIBUTIONS TO HOUSING,

SOME OF THESE APPROACHES CAN BE LINKED TO EXISTING PROVINCIAL PROGRAMS TO CREATE A DIVERSITY OF OPTIONS WHICH WILL ASSIST US TO MEET OUR GOAL OF GOOD HOUSING FOR ALL ONTARIO CITIZENS,

HOWEVER, THERE ARE SOME ASPECTS TO THE PROPOSED AMENDMENTS WHICH CONCERN US GREATLY. FIRST AND FOREMOST OF THESE IS LIMITED FUNDS. THE NUMBER OF NEW DWELLINGS OF ALL TYPES THAT WILL BE REQUIRED IN THE NEXT DECADE IN ONTARIO WILL TOTAL ABOUT 1,250,000 UNITS. THAT IS TO SAY ONTARIO'S REQUIREMENT IS ALMOST ONE-HALF OF THE CANADIAN TOTAL NEEDED IN THAT TIME SPAN.

CHANGES MADE TO THE NHA, SHOULD BE SUPPORTED BY FUNDING THAT REFLECTS THIS REQUIREMENT. MOST CERTAINLY THE FUNDS, SET ASIDE FOR REHABILITATION AND RENEWAL, CAN BEST DESCRIBED AS "TOKEN". IT IS OUR OPINION THAT THE FUNDS ALLOCATED FOR LAND ACQUISITION WILL NOT MEET THE NEED.

I APPRECIATE THAT THE FEDERAL MINISTER INDICATED THAT, IF NECESSARY, MORE FUNDS COULD BE FORTHCOMING,

BUT I WOULD POINT OUT THAT IN THE NEXT TWO OR THREE YEARS ALONE, THE NORTH PICKERING COMMUNITY DEVELOPMENT NEAR METROPOLITAN TORONTO WILL REQUIRE FUNDING IN EXCESS OF \$150,000,000 FOR PROPERTY ACQUISITION ITSELF.

MOREOVER, ONE AREA OF VITAL IMPORTANCE THAT IS NOT INCLUDED IN THE PROPOSED AMENDMENTS IS PUBLIC HOUSING.

ANOTHER DRAWBACK TO THE PROPOSED AMENDMENTS IS THEIR LIMITED APPLICABILITY. FOR EXAMPLE, THE "ASSISTED HOME OWNERSHIP" PROGRAM WILL NOT BE OF ASSISTANCE IN MAJOR ONTARIO URBAN CENTRES WHERE IT IS MOST NEEDED.

OTHER CONCERNS ARE THAT THE PROGRAMS DO NOT SEEM TO BE COMPLEMENTARY, NOR HAVE THEY BEEN CONSIDERED IN LIGHT OF OTHER INCOME-SUPPORT PROGRAMS. WE HAVE POINTED OUT ON OTHER OCCASIONS THAT HOUSING ASSISTANCE IS A MAJOR FORM OF INCOME SECURITY FOR LOW-INCOME FAMILIES AND INDIVIDUALS AND IT MOST CERTAINLY SHOULD BE INTEGRATED WITH OTHER INCOME SECURITY, OR SOCIAL ASSISTANCE, PROGRAMS. HOUSING ASSISTANCE CAN BE FOUND IN MORE THAN A DOZEN PROGRAMS - NONE OF THEM CO-ORDINATED ONE WITH THE OTHER - FOR WHICH THE PUBLIC HOUSING SUBSIDY IS MERELY THE TIP OF THE ICEBERG.

ALLOW ME TO ENLARGE ON THIS.

A MAJOR FORM OF HOUSING ASSISTANCE IN ONTARIO IS THAT WHICH IS COST-SHARED UNDER THE CANADA ASSISTANCE PLAN. WHAT I AM REFERRING TO IS THE SHELTER COMPONENT OF THE GENERAL WELFARE ASSISTANCE AND FAMILY BENEFITS ACT.

IN 1971, THE SHELTER COMPONENT UNDER THESE INCOME SECURITY PROGRAMS TOTALLED NEARLY 85 MILLION DOLLARS IN ONTARIO AND COSTS HAVE SINCE INCREASED. IT SHOULD BE NOTED THIS IS IN ADDITION TO THE DIRECT HOUSING SUBSIDY BY THE THREE LEVELS OF GOVERNMENT OF 36 MILLION DOLLARS MENTIONED FOR PUBLIC HOUSING IN ONTARIO IN FISCAL 1971 - 72.

IF WE ARE GOING TO DEAL MEANINGFULLY WITH ASSISTANCE IN THE FIELD OF HOUSING, WE SHOULD RATIONALIZE HOUSING ASSISTANCE UNDER A REVISED FORM OF INCOME SECURITY.

ONLY FIVE DAYS AGO PRIME MINISTER TRUDEAU TOLD THE FIRST MINISTERS IN OTTAWA THAT IT WAS STILL THE FEDERAL GOVERNMENT'S INTENTION TO GET OUT OF SHARED-COST PROGRAMS AND TURN OVER THE REQUIRED REVENUE TO THE PROVINCES. IF THE FEDERAL GOVERNMENT IS PREPARED TO GET OUT OF SHARED-COST PROGRAMS IN HEALTH AND POST-SECONDARY EDUCATION, IS IT NOT INCONSISTENT FOR THEM

TO OPPOSE VACATING THE SHARED-COST HOUSING PROGRAM AREA? IN ANY CASE, FOR THE MOST PART, FEDERAL INVOLVEMENT IN HOUSING CONSISTS OF LOANS WHICH ARE REPAYED WITH INTEREST.

ALSO DOES IT MAKE SENSE TO HAVE PROVINCES RESPONSIBLE FOR ONE TYPE OF SOCIAL HOUSING - THAT IS RENT-GEARED-TO INCOME HOUSING - AND THE FEDERAL GOVERNMENT RESPONSIBLE FOR NON-PROFIT AND ASSISTED HOME OWNERSHIP HOUSING? IN MY VIEW, IT DOES NOT MAKE SENSE.

THERE IS A NEED TO RATIONALIZE RESPONSIBILITY IF ONLY TO ELIMINATE THE CONFUSION CREATED BY THE MULTITUDE OF PROGRAMS AND THE VARIOUS JURISDICTIONS INVOLVED, SUCH RATIONALIZATION WOULD PREVENT DELAYS IN THE APPROVAL PROCESS AND REDUCE INEFFICIENCIES DUE TO A DUPLICATION OF EFFORT. FURTHER, THERE IS LITTLE ROOM FOR LOCAL INITIATIVE IN RESPONSE TO SPECIAL LOCAL NEEDS.

AS I HAVE ALREADY OUTLINED, ONTARIO IS CARRYING OUT PLANNING ON AN EXTREMELY COMPREHENSIVE BASIS AND ALSO PLANNING FOR LONGER PERIODS AS WE ARE DEALING IN A REGIONAL DEVELOPMENT CONTEXT. FOR THAT REASON, FLEXIBILITY, PLUS LONG-TERM FUNDING COMMITMENTS, ARE IMPERATIVE.

THIS THINKING IS NOT UNIQUE TO ONTARIO. IT HAS BEEN REFLECTED IN THE POSITIONS OF OTHER PROVINCES AND IN THE DEBATES ON THE NHA AMENDMENTS IN THE HOUSE OF COMMONS. THERE IS A GROWING CONSENSUS THAT A FUNDAMENTALLY DIFFERENT APPROACH IS REQUIRED.

THE TIME HAS NOW ARRIVED FOR OTTAWA TO RECOGNIZE THAT SOME PROVINCIAL JURISDICTIONS HAVE THE TECHNICAL COMPETENCE NEEDED TO MANAGE AND INITIATE HOUSING PROGRAMS OF THEIR OWN DEVISING. HENCE, DETAILED FEDERAL REQUIREMENTS, WITH RESPECT TO NHA AMENDMENTS, ARE BOTH UNNECESSARY AND UNDESIRABLE AS THEY WOULD TEND TO RESTRICT THE FLEXIBILITY OF LOCAL INITIATIVE, BOTH AT THE PROVINCIAL AND THE MUNICIPAL LEVELS.

AS I HAVE ALREADY OUTLINED, THE ADVISORY TASK FORCE ON HOUSING POLICY WILL BE MAKING RECOMMENDATIONS TO THIS PROVINCE WHICH COULD FORM THE BASIS FOR A NEW HOUSING POLICY IN ONTARIO.

THIS IS ANOTHER EXAMPLE OF WHY THE FEDERAL GOVERNMENT SHOULD NOT ATTEMPT TO ESTABLISH HOUSING PRIORITIES FOR ANY PROVINCE. THE TIME HAS ARRIVED TO ENTER INTO A NEW FORM OF FEDERAL-PROVINCIAL RELATIONSHIP IN REGARD TO THE PROVISION OF HOUSING AND HOUSING PROGRAMS.

THEREFORE, I URGE THE FEDERAL GOVERNMENT TO ENTER INTO AN OVERALL AGREEMENT WITH ONTARIO TO PROVIDE FOR FEDERAL FUNDING OF PROGRAMS FOR GENERAL HOUSING PURPOSES.

THE EXPERTISE NEEDED TO CARRY OUT SUCH PROGRAMS ALREADY EXISTS AT THE PROVINCIAL LEVEL, AND IT IS AVAILABLE, OR CAN BE DEVELOPED, AT THE MUNICIPAL LEVEL. THIS BEING SO, LET US AVOID BEING LOCKED INTO A FEDERAL STRAIT-JACKET FASHIONED AROUND THE NATIONAL HOUSING ACT.

IN CONCLUSION, I WOULD REITERATE THAT ONTARIO HAS ALREADY ACTED TO INTRODUCE A BROAD URBAN POLICY. RECOMMENDATIONS OF THE COMAY TASK FORCE WILL ADD NEW DIMENSIONS TO THIS POLICY. ONTARIO, THROUGH ONTARIO HOUSING CORPORATION, HAS ALREADY DEMONSTRATED IT IS QUITE CAPABLE OF "DOING ITS OWN THING". A NUMBER OF MUNICIPALITIES HAVE SIMILAR ASPIRATIONS - AND A GENERAL AGREEMENT WITH THE FEDERAL GOVERNMENT WOULD PROVIDE ONTARIO WITH THE FLEXIBILITY AND FUNDS NEEDED TO RESPOND TO THIS PROVINCE'S SPECIAL REQUIREMENTS.

